

TAX INCREMENTAL FINANCING (TIF)

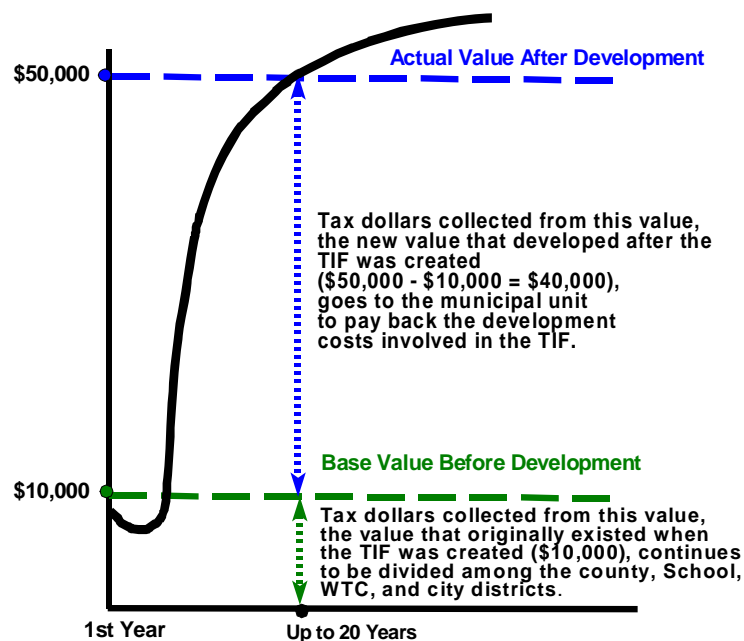
Tax Incremental Financing (TIF) can help a municipality undertake a public project to stimulate beneficial development or redevelopment that would not otherwise occur. It is a mechanism for financing local economic development project in underdeveloped and blighted areas. Taxes generated by the increased property values pay for land acquisition or needed public works. Significant legislative changes were made in 2004. See the Department of Revenue link below for details.

A TIF is based on two working principles:

- New private development expands the municipality's tax base, thereby increasing property tax revenues.
- If the municipality must provide public improvements to attract the development, the overlying tax districts that benefit from the resulting increase in the community's tax base should share in the cost of the public improvements.

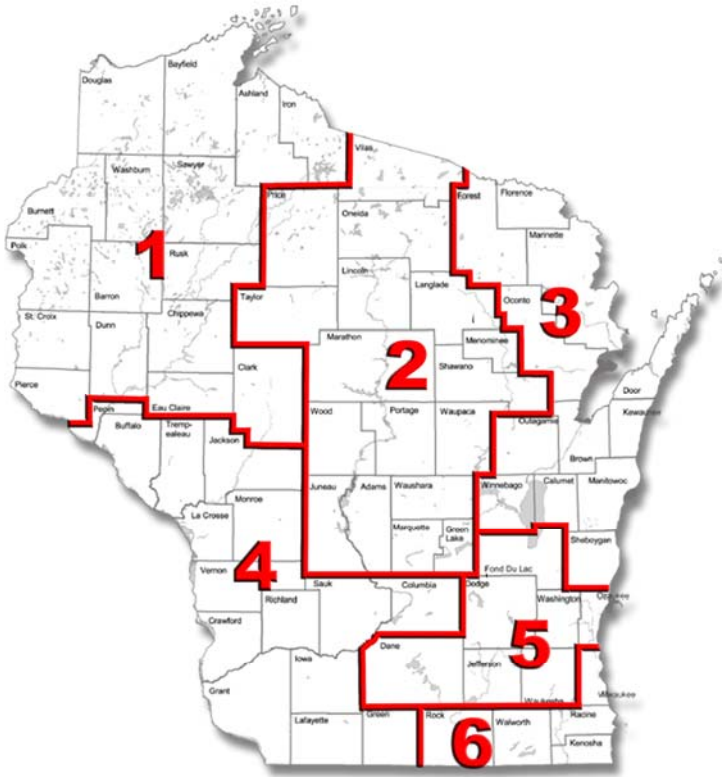
A city or village can designate a specific area within its boundaries as a TIF district and develop a plan to develop it. TIF projects must be approved by the municipality's planning commission and legislative body. At least 50 percent of the TIF district's property area must be blighted, in need of rehabilitation, or suitable as an industrial site.

How a TIF Works:



Application process:

For more information, contact the Area Development Manager in your region, as shown below.



Area Development Managers

Region 1: Marty Ambros	715/836-2630
Region 2: Deb Clements	715/344-1381
Region 3: Dennis Russell	920/498-6302
Region 4: William Winter	608/647-4613
Region 5: Kathy Heady	608/266-9944
Region 6: David Martens	608/261-7711
Bureau Director: John Stricker	608/261-7710

OTHER RESOURCES:

Informational Paper #17 "Tax Incremental Financing" (pdf format only),
<http://www.legis.state.wi.us/lfb/17.pdf>.

Wisconsin legislative Fiscal Bureau, January 1999, One East Main, Suite 301, Madison, WI 53703
Telephone: (608) 266-3847, Fax: (608) 267-6873

Wisconsin department of Revenue web site: <http://www.dor.state.wi.us/slf/tif.html>